

ESTTA Tracking number: **ESTTA891788**

Filing date: **04/23/2018**

IN THE UNITED STATES PATENT AND TRADEMARK OFFICE
BEFORE THE TRADEMARK TRIAL AND APPEAL BOARD

Proceeding	91237315
Party	Defendant Universal Life Church Monastery Storehouse, Inc.se, Inc.
Correspondence Address	MICHAEL P MATESKY II MATESKY LAW PLLC 1001 4TH AVE, SUITE 3200 SEATTLE, WA 98154 UNITED STATES Email: trademarks@mateskylaw.com, mike@mateskylaw.com
Submission	Reply in Support of Motion
Filer's Name	Michael P. Matesky, II
Filer's email	mike@mateskylaw.com, litigation@mateskylaw.com
Signature	/Michael P. Matesky, II/
Date	04/23/2018
Attachments	Reply ISO Apps Mot. Partial J. Plead. FINAL 042318.pdf(113091 bytes)

IN THE UNITED STATES PATENT AND TRADEMARK OFFICE
BEFORE THE TRADEMARK TRIAL AND APPEAL BOARD

AMERICAN MARRIAGE
MINISTRIES,

Opposer,

v.

UNIVERSAL LIFE CHURCH
MONASTERY STOREHOUSE, INC.

Applicant.

Opposition No. 91237315

REPLY IN SUPPORT OF APPLICANT'S
MOTION FOR PARTIAL JUDGMENT
ON THE PLEADINGS

I. INTRODUCTION

Opposer has failed to cite a single case supporting the position that Opposer has plead a valid claim for fraud against Applicant. Rather, in its response (Dkt. No. 6), Opposer simply repeats the conclusory allegations in its Notice of Opposition, and says “that’s sufficient,” without citation to authority. Perhaps sensing the frailty of its position, Opposer tries two other tactics: (1) purporting to amend its Notice of Opposition, and (2) submitting material outside the pleadings. Neither tactic can save Opposer’s fraud claim.

First, as discussed in Applicant’s Motion to Strike Opposer’s Partial Amendment (Dkt. No. 9), Opposer cannot simply amend its Notice of Opposition at will. It must first obtain Applicant’s consent or the Board’s leave. It has done neither, and its purported amendment should not be considered in ruling on the sufficiency of its Notice of Opposition. Second, a motion for judgment on the pleadings is a test of the pleading itself and cannot be saved by

pointing to purported evidence outside the pleadings. Opposer has done nothing to show that its Notice of Opposition actually states a claim for fraud.

II. ARGUMENT

A. Legal Standards

As set forth in Applicant's motion (Dkt. No. 5 at 3), the Board takes all well-pleaded allegations in the Notice of Opposition as true when ruling on a motion under Rule 12(c). However, the Board need not accept conclusions of law or merely conclusory recitations of the elements of a cause of action. Rather, Opposer must plead specific factual allegations, with particularity, that are sufficient to support the elements of a fraud claim. (*Id.* at 4.) Extraneous material outside the pleadings is not necessary or relevant to this inquiry, and the Board may exclude such evidence. *See W. Worldwide Enter's. Grp. Inc. v. Qinqdao Brewery*, 17 U.S.P.Q.2d 1137, 1139 n.5 (T.T.A.B. 1990) (Excluding consideration of material outside the pleadings); *Wellcome Found. Ltd. v. Merck & Co.*, 46 U.S.P.Q.2d 1478, 1479 n.2 (T.T.A.B. 1998) (same); *Internet Inc. v. Corp. for Nat'l Research Initiatives*, 38 U.S.P.Q.2d 1435, 1436 (T.T.A.B. 1996) (same); *DAK Indus. Inc. v. Daiichi Kiosho Co.*, 35 U.S.P.Q.2d 1434, 1436 (T.T.A.B. 1995) (same). Accordingly, the Board need not consider the Declaration of Nancy Stephens (Dkt. No. 7) or documents attached thereto.¹

B. Opposer Fails to Allege Third Party Uses at the Time of Applicant's Oath

¹ If the Board elects to consider the Stephens Declaration, Applicant's motion must be treated as a motion for summary judgment. *See* Fed. R. Civ. P. 12(d). In such event, Applicant requests that the Board provide notice of its intent to do so. *Cf.* T.B.M.P. § 504.03 ("Ordinarily, the parties to the proceeding will be notified that the motion for judgment on the pleadings is being treated as a motion for summary judgment, and they will be given a reasonable opportunity to present all material made pertinent to such a motion by Fed. R. Civ. P. 56.").

In order to state a claim for fraud, Opposer must allege specific facts supporting the conclusion that “there was in fact another use of the same or a confusingly similar mark at the time the [Applicant’s] oath was signed.” *See Intellimedia Sports Inc. v. Intellimedia Corp.*, 43 U.S.P.Q.2d 1203, 1206 (T.T.A.B. 2007). Opposer argues it has sufficiently alleged that “there are competing businesses offering services similar to Applicant’s services who also use ‘get ordained’ to describe what their services enable customers to do” and that “no facts” are required at this point. (Dkt. No. 6 at 1-2.) Opposer does not cite any legal authority for its contention. Opposer’s failure in this regard is not surprising, because over ten years of federal court precedent, starting with the Supreme Court’s opinion in *Bell Atlantic Corp. v. Twombly*, 550 U.S. 544 (2007), is in direct opposition to Opposer’s contention.

First, it is absolutely necessary for a party pleading a fraud claim to allege specific “facts” that support the general elements of a fraud claim. *See Dragon Bleu (SARL) v. VENM, LLC*, 112 U.S.P.Q.2d 1925, 1929 (T.T.A.B. 2014), and cases cited therein. Failure to allege such specific facts with particularity, including by failure to identify the supposed third parties or uses in question, results in failure to state a claim for fraud. *See Bauer Bros., LLC v. Nike, Inc.*, 159 F. Supp. 3d 1202, 1202 (S.D. Cal. 2011) (Dismissing fraud counterclaim where the counterclaimant failed to allege “a specific person or entity” who previously used the mark in question on the goods in question). General conclusions are not enough. Even if mere conclusory allegations *were* enough, simply alleging that there “are” third party uses of “get ordained” in some capacity (Dkt. 6 at 1-2) does not sufficiently allege that such uses were in existence “at the time the oath was signed,” which is necessary to state a claim for fraud. *See*

Intellimedia, 43 U.S.P.Q.2d at 1206. Accordingly, Opposer has failed to adequately plead this element of its fraud claim.

C. Opposer Fails to Allege Superior Rights

In order to state a claim for fraud, Opposer must allege specific facts supporting the conclusion that third-party users of the GET ORDAINED mark had rights superior to those of Applicant. *See Intellimedia*, 43 U.S.P.Q.2d at 1206. In its Response, Opposer simply repeats this conclusory allegation, but provides no reasoning and cites to no supporting factual allegations explaining why or how such third-party users obtained superior rights. (Dkt. No. 6 at 2.) Opposer cites no legal authority suggesting that stating a blanket legal conclusion is sufficient to plead a claim for fraud. (*Id.*). The law makes clear that it is not. *See* T.B.M.P. § 504.01 (“Conclusions of law are not taken as admitted”); *Hana Fin., Inc. v. Hana Bank*, 500 F. Supp. 2d 1228, 1235-36 (C.D. Cal. 2007). Accordingly, Opposer has failed to adequately plead this element of its fraud claim.

D. Opposer Fails to Allege Applicant’s Knowledge of Uses or Superior Rights

In order to state a claim for fraud, Opposer must allege specific facts supporting the conclusion that (1) third-party users of the GET ORDAINED mark had rights superior to those of Applicant, (2) Applicant knew of such superior rights, and (3) that Applicant believed that a likelihood of confusion would result from its use of the GET ORDAINED mark. *See Intellimedia*, 43 U.S.P.Q.2d at 1206. Opposer’s argument that it has somehow satisfied this third element of the *Intellimedia* test fails on multiple grounds.

First, Opposer appears to acknowledge that it merely stated that Applicant had knowledge of third-party users in a conclusory fashion, without any supporting factual

allegations. (Dkt. No. at 1.) This is legally deficient, and Opposer makes no argument to the contrary. *See In re BP Lubricants USA Inc.*, 637 F.3d 1307, 1311 (Fed. Cir. 2011) (general allegation that the defendant “knew” something is insufficient to satisfy Rule 9(b) without factual detail supporting the inference); *see also Exergen Corp. v. Wal-Mart Stores, Inc.*, 575 F.3d 1312, 1330 (Fed. Cir. 2009). Moreover, Opposer alleges *in its response* that Applicant knew of third parties’ supposed superior rights, but does not cite to any such allegation in its Notice of Opposition. (Dkt. No. 6 at 2.) Without alleging specific facts demonstrating such knowledge, Opposer’s pleading is deficient. *See Hana Fin.*, 500 F. Supp. 2d at 1236 (alleging knowledge of third-party use is insufficient to state a claim, without alleging facts supporting knowledge of superior rights).

Opposer promises to correct this deficiency through amendment. (Dkt. No. 6. at 2.) Yet, Opposer is not permitted to amend its pleading at will. If it wishes to do so, it must seek leave from the Board, and Applicant must be given an opportunity to respond to such request. (*See* Dkt. No. 9.) Neither Opposer’s unilateral statement of intent nor the unsupported *ipse dixit* of its counsel can cure the obvious defects of its currently operative pleading.

Opposer also argues that it need not allege that Applicant knew the third-party uses in question are likely to cause confusion in relation to Applicant’s applied-for mark. (Dkt. No. 6 at 3.) Again, Opposer cites no legal authority for this claim. In fact, Opposer’s position directly contradicts the Board’s statements in precedential opinions. *See Intellimedia* 43 U.S.P.Q.2d at 1206 (party claiming fraud must allege that “applicant knew that the other user had rights in the mark superior to applicant’s, and either believed that a likelihood of confusion would result from applicant’s use of its mark or had no reasonable basis for believing otherwise”); *Daniel J. Quirk*,

Inc. v. Village Car Co., 120 U.S.P.Q.2d 1146, 1154 (T.T.A.B. 2016) (dismissing fraud claim where “there is nothing to suggest that Respondent’s statement in the application oaths to the effect that no one else had a right to use the QUIRK mark in commerce ‘as to be likely ... to cause confusion’ was based on anything other than an honest belief...”)). Accordingly, for the reasons stated above, Opposer has failed to adequately plead this element of its fraud claim.

E. Opposer Fails to Allege Applicant’s Intent to Deceive

In order to state a claim for fraud on the PTO, Opposer must allege not only that Applicant knowingly made a false statement, but did so with intent to deceive, in order to procure a registration to which it was not entitled. *See Intellimedia*, 43 U.S.P.Q.2d at 1203; *In re Bose Corp.*, 580 F.3d 1240 (Fed. Cir. 2009). Opposer does not actually argue that it has properly alleged that Applicant had an intent to deceive when submitting its oath and application. (Dkt. No. at 2.) Rather, Opposer says it will amend its Notice of Opposition. (*Id.*) For the reasons already stated above, Opposer is not entitled to do so, and its unilaterally stated intent to do so does not immunize it from judgment on the pleadings in Applicant’s favor.

III. CONCLUSION

For the reasons set forth above, Opposer has failed to sufficiently allege a claim for fraud against Applicant, and judgment on the pleadings in favor of Applicant should be entered with regard to Opposer’s fraud claim.

DATED: April 23rd, 2018

Respectfully submitted:

MATESKY LAW^{PLLC}

s/ Michael P. Matesky, II/

Michael P. Matesky, II
(Washington Bar No. 39586)
1001 4th Ave., Suite 3200
Seattle, WA 98154
Ph: 206.701.0331
Fax: 206.702.0332
Email: mike@mateskylaw.com;
litigation@mateskylaw.com

Attorney for Applicant

CERTIFICATE OF SERVICE

I hereby certify that I served the foregoing on Opposer's counsel of record by email transmission to nancy.stephens@foster.com, pursuant to Trademark Rule § 2.119(b), 37 C.F.R. § 2.119(b).

Dated: April 23rd, 2018

s/ Matt Kostoulakos/
Matt Kostoulakos/